



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2011 Biennium

<b>Bill #</b>	HB0283	<b>Title:</b>	Revise workers compensation act on exemptions, claims examiners, safety funding
<b>Primary Sponsor:</b>	Himmelberger, Dennis	<b>Status:</b>	As Introduced

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact     | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns              |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts           | <input type="checkbox"/> Dedicated Revenue Form Attached |

### **FISCAL SUMMARY**

	<b><u>FY 2010 Difference</u></b>	<b><u>FY 2011 Difference</u></b>	<b><u>FY 2012 Difference</u></b>	<b><u>FY 2013 Difference</u></b>
<b>Expenditures:</b>				
State Special Revenue	\$8,970	\$8,970	\$9,165	\$9,365
<b>Revenue:</b>				
State Special Revenue	\$9,500	\$9,000	\$11,000	\$9,000
<b>Net Impact-General Fund Balance</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

### **Description of fiscal impact:**

Section two of SB 283 requires the department to establish a program, certify, maintain documentation, and approve training for claims examiners. Fees will be commensurate with the costs of the program.

### **FISCAL ANALYSIS**

#### **Assumptions:**

1. The department would require a 0.25 FTE, a license permit technician, to perform the duties of HB 283 at a cost of \$7,800 for salary and benefits in the 2011 biennium. Indirect costs would be \$670. The department would consolidate workspace, furniture, and computers for this 0.25 FTE. Total staffing costs are \$8,470 in FY 2010 and FY 2011.
2. The department would appoint a six person advisory board.
3. The board meetings would be held via web and teleconferencing. Set up costs for the teleconferencing would be \$500 per year.
4. There are approximately 100 workers compensation claims examiners in Montana.
5. Seventy percent of claims examiners would participate in this program; forty percent would immediately apply and another thirty percent would apply in FY 2011. This trend would continue into the future.
6. The biennial costs of the program are \$17,940 for the 2011 biennium.

7. Personal services are inflated by 2.5% in FY 2012 and FY 2013.
8. The two year certification fees would be set at \$200.
9. Estimated revenue for the certification process would be \$8,000 (\$200 x 40) in the first year and \$6,000 (\$200 x 30) in the second year of each biennium.
10. The initial test for certification would be \$100; fifteen applicants would sit for the test in 2011, and that trend would continue. (\$100 x 15 = \$1,500)
11. Application fees for review and approval of continuing education credits would be \$75. There would be 20 applications per year. (\$75 x 20 = \$1,500)
12. Seventy certified claims examiners would be maintained by attrition and new applicants.

	<b><u>FY 2010 Difference</u></b>	<b><u>FY 2011 Difference</u></b>	<b><u>FY 2012 Difference</u></b>	<b><u>FY 2013 Difference</u></b>
<b><u>Fiscal Impact:</u></b>				
<b>FTE</b>	0.25	0.25	0.25	0.25
<b><u>Expenditures:</u></b>				
Personal Services	\$7,800	\$7,800	\$7,995	\$8,195
Operating Expenses	<u>\$1,170</u>	<u>\$1,170</u>	<u>\$1,170</u>	<u>\$1,170</u>
<b>TOTAL Expenditures</b>	<u><u>\$8,970</u></u>	<u><u>\$8,970</u></u>	<u><u>\$9,165</u></u>	<u><u>\$9,365</u></u>
<b><u>Funding of Expenditures:</u></b>				
State Special Revenue (02)	<u>\$8,970</u>	<u>\$8,970</u>	<u>\$9,165</u>	<u>\$9,365</u>
<b>TOTAL Funding of Exp.</b>	<u><u>\$8,970</u></u>	<u><u>\$8,970</u></u>	<u><u>\$9,165</u></u>	<u><u>\$9,365</u></u>
<b><u>Revenues:</u></b>				
State Special Revenue (02)	<u>\$9,500</u>	<u>\$9,000</u>	<u>\$11,000</u>	<u>\$9,000</u>
<b>TOTAL Revenues</b>	<u><u>\$9,500</u></u>	<u><u>\$9,000</u></u>	<u><u>\$11,000</u></u>	<u><u>\$9,000</u></u>
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u></b>				
State Special Revenue (02)	\$530	\$30	\$1,835	(\$365)

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Sponsor's Initials\_\_\_\_\_  
Date\_\_\_\_\_  
Budget Director's Initials\_\_\_\_\_  
Date